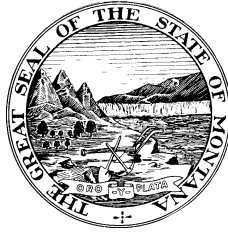


PUBLIC SERVICE COMMISSION STATE OF MONTANA

Travis Kavulla, Chairman
Gail Gutsche, Vice Chair
Bill Gallagher, Commissioner
Brad Molnar, Commissioner
John Vincent, Commissioner



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December 21, 2012

Ms. Rita A. Mulkern
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 North Fourth Street
Bismark, North Dakota 58501

RE: Data Request in Docket D2012.9.100

Dear Ms. Mulkern

Enclosed please find Montana Public Service Commission data request PSC-014 through PSC-040 to Montana-Dakota Utilities Co. regarding the application and supporting testimonies in the above-referenced docket. If you have any questions, please contact me at (406) 444-6185.

Thank you for your cooperation on this matter.

Sincerely,

Dagan Lynch
Rate Analyst
Montana Public Service Commission

Enclosure

cc: Service list

Service Date: December 21, 2012

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF the Application of)	REGULATORY DIVISION
Montana-Dakota Utilities Co. for Authority to)	
Establish Increased Rates for Natural Gas)	DOCKET NO. D2012.9.100
Service in the State of Montana)	

**MONTANA PUBLIC SERVICE COMMISSION DATA REQUEST PSC-014 THROUGH
PSC-040 TO MONTANA-DAKOTA UTILITIES CO.**

PSC-014

Regarding: Statement A Current and Accrued Assets

Witness: Senger

The following questions should be referenced to the Current and Accrued Assets listed on Statement A page 3 of 4, MDU Resources Group, Inc. Nonconsolidated balance sheets June 30, 2011 and June 30, 2012

- a. Break down the Customer Receivable account by MT, ND, SD and WY customers.
- b. Please define "Other Accounts Receivable" and break down the account by MT, ND, SD and WY.
- c. Please define "Accounts Receivable from Assoc. Companies" and break down the account by MT, ND, SD and WY.
- d. What is the balance of Accounts Receivable by state as of November 30, 2012 for MT, SD, ND and WY
- e. Provide all work papers, analyses, memos and other documentation that support the above requests.

PSC-015

Regarding: Statement A Current and Accrued Assets

Witness: Senger

Please explain the increase of the “Special Deposits” account listed on Statement A page 3 of 4, MDU Resources Group, Inc. Nonconsolidated balance sheets June 30, 2011 and June 30, 2012 from 2011 through 2012.

PSC-016

Regarding: Statement A Current and Accrued Assets
Witness: Senger

Please explain the increase of the “Miscellaneous Current and Accrued Assets” account listed on Statement A page 3 of 4, MDU Resources Group, Inc. Nonconsolidated balance sheets June 30, 2011 and June 30, 2012 from 2011 through 2012.

PSC-017

Regarding: Rate Decisions
Witness: Applicable Witness

Please provide a list of all rate decisions for all divisions and subsidiaries of MDU issued since January 1, 2010.

PSC-018

Regarding: Outside consultant reports
Witness: Applicable Witness

a. Please provide white paper/executive summaries for all outside consultant reports in 2010, 2011, and year-to-date 2012.

b. For each report, please indicate whether the study(ies) is performed every year. If not, how often is the study(ies) performed, and what is the useful life of the study(ies)?

PSC-019

Regarding: Audit reports
Witness: Applicable Witness

a. Please provide copies of all internal audit reports for 2010, 2011, and year-to-date 2012 for MDU and its subsidiaries.

b. Please provide copies of all external audit reports for 2010, 2011, and year-to-date 2012 for MDU and its subsidiaries.

PSC-020

Regarding: Special project reports
Witness: Applicable Witness

Please provide copies of all special project reports prepared in-house for 2010, 2011, and year-to-date 2012.

PSC-021

Regarding: Board of Directors

Witness: Applicable Witness

- a. Please provide the MDU Compensation Rate Schedule for non-employee Directors for 2011-2012.
- b. Please provide total by year, the compensation and per diem paid to each non-employee board member.
- c. Please explain and show how board expenses are allocated.

PSC-022

Regarding: Board of Directors

Witness: Applicable Witness

- a. Please provide date, location, cost of all board and board committee meetings individually, including and designating conference calls.
- b. Are the board members compensated if they attend a meeting via conference call?
- c. Are the board members compensated if attending a meeting of a committee of which they are not members?
- d. Is it compulsory that they attend the meeting? Why or why not?
- e. Are the per diem and/or travel costs paid for attendance of those meetings?
- f. If there are meetings that run consecutively on a day, is the board member paid fees for both the board and committee meetings?

PSC-023

Regarding: Board of Directors

Witness: Applicable Witness

- a. Have there been any policy changes with regard to the Board's annual self-evaluation process, attendance and participation by directors?
- b. Please provide a copy of the policy(ies) governing the Board of Directors.

PSC-024

Regarding: Key employee severance plan

Witness: Applicable Witness

- a. What was the total severance paid in 2011 for key employees?

b. Is the severance amount included in the compensation numbers?

PSC-025

Regarding: Real properties

Witness: Applicable Witness

a. Please list for all properties that are included in regulated rate base that are not being used for regulated purposes, a property description, original cost book value, depreciation, net book value, and market value, if known.

b. Please list all properties that are obsolete, listed to be disposed of, or presently being disposed of, the carrying value of the property, status (whether sold or not), and selling price.

c. Please provide for all disposed of properties since 2008, a property description, original cost book value, depreciation, net book value, and selling price.

PSC-026

Regarding: Outside Services

Witness: Applicable Witness

a. Please provide a listing of all outside firms or individuals retained by MDU during 2010, 2011, and year-to-date 2012, that have provided services and had expenses allocated to the various operating divisions.

b. List the amount paid each outside service provided for the years 2010, 2011, and year-to-date 2012.

d. Please provide in electronic Excel format if possible.

PSC-027

Regarding: Lead-Lag study

Witness: Applicable Witness

Please provide a copy of all lead-lag reports both internal and external for MT natural gas operations for the period of 2010 through current.

PSC-028

Regarding: Business Plans

Witness: Applicable Witness

Please provide copies of the business plans for the years 2010 and 2011.

PSC-029

Regarding: Tax Returns

Witness: Applicable Witness

a. Please provide copies of 2009, 2010, and 2011 Montana Corporate License Tax returns for MDU.

b. Please provide copies of 2009, 2010, and 2011 Federal Income Tax returns for MDU.

PSC-030

Regarding: Clubs and Organizations

Witness: Applicable Witness

Please provide a list of all clubs and organizations for which dues or memberships were paid by MDU in 2011, amount, and the amount included in recovery in this rate case.

PSC-031

Regarding: FTE Employees

Witness: Applicable Witness

Using full-time employee equivalents please provide, for MDU, year-end employee counts, by department, for the years 2010 through 2011. Also provide the current employee count.

a. For those years that reflect increased staffing levels, please provide a narrative detailing the circumstances that warranted the hiring of the additional personnel.

b. Please provide any analysis performed, at the division or corporate level, to determine necessary staffing levels.

c. If the current staffing level is lower than YE 2009, please explain if wages/salaries included in the cost of service have been adjusted to reflect the lower staffing. If not, please explain.

PSC-032

Regarding: Medical Insurance

Witness: Applicable Witness

Please provide narrative detailing any and all efforts undertaken by MDU and its operating divisions to contain the costs of company provided medical insurance.

PSC-033

Regarding: AMR

Witness: Skabo

Please itemize the AMR costs of the total project and the portion of that cost allocated to MT natural gas customers.

PSC-034

Regarding: 3GIS Company
Witness: Skabo

- a. Montana Dakota developed and deployed a mobile map product from 3GIS. Does MDU Resource Group or Montana Dakota Utilities receive any royalties or revenues as a result of developing the map product?
- b. If so please indicate who the revenue is received from and how it is credited to MT natural gas customers.
- c. If MT natural gas customers do receive a portion of the revenue please explain the reason.

PSC-035

Regarding: Combined Office
Witness: Skabo

- a. Please breakdown the costs the company incurred purchasing or leasing the new combined office.
- b. If the breakdown does not include dollar amounts for office decorating or office furniture please include those costs and the portion allocated to MT natural gas customers.

PSC-036

Regarding: Call Center
Witness: Gardner

- a. Does MDU receive revenue for using the call center for non-regulated utilities?
- b. If so please indicate who the revenue is received from and how it is credited to MT natural gas customers.
- c. If MT natural gas customers do receive a portion of the revenue please explain the reason.

PSC-037

Regarding: Pension Costs
Witness: Jones

- a. What does MDU consider normal market returns for pension funding returns? On what logic and information does MDU rely on for its acceptable returns on its pension fund?

- b. Provide all work papers, analyses, memos and other documentation that support the logic of MDU's basis for the company's assumptions or normal market returns.

PSC-038

Regarding: Pension Costs

Witness: Jones

- a. Does MDU manage its pension fund directly or use a third party?
- b. Provide all work papers, analyses, memos and other documentation that support the fund manager performance from 2007 through 2012.

PSC-039

Regarding: Regulated and non-regulated expenses

Witness: Jones

- a. How do employees report their time between regulated and non-regulated activities?
- b. How are the travel costs for employees reported for regulated and non-regulated activities?
- c. Provide an example of how this is reported.

PSC-040

Regarding: Gas/Oil Exploration

Witness: Senger

- a. Do MT natural gas customers pay for any exploration costs?
- b. If so please provide the explanation customers should bear this risk.
- c. If so please provide the allocated amount of exploration costs MT natural gas customers are being charged.